

FORM 2 Rev 12/05	State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES
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APPLICATION FOR PERMIT TO:

1. **Drill,** Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER Pilot
 SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
 Sidetrack

Document Number:

1635554

Plugging Bond Surety

20030028

3. Name of Operator: SWEPI LP 4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400
 City: DENVER State: CO Zip: 80237

6. Contact Name: MICHAEL J. BERGSTROM Phone: (303)222-6347 Fax: (303)222-6258
 Email: MICHAEL.BERGSTROM@SHELL.COM

7. Well Name: HARPER HILL Well Number: 2-29

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 4574

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 29 Twp: 5N Rng: 90W Meridian: 6
 Latitude: 40.359478 Longitude: -107.523747

Footage at Surface: 1543 feet FNL 1347 feet FWL
FNL/FSL FEL/FWL

11. Field Name: Waddle Creek Field Number: 90450

12. Ground Elevation: 6581 13. County: MOFFAT

14. GPS Data:
 Date of Measurement: 03/01/2011 PDOP Reading: 2.2 Instrument Operator's Name: A. FLOYD

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: 1683 FNL 1285 FWL Bottom Hole: 2280 FNL 950 FWL
FNL/FSL FEL/FWL FNL/FSL FEL/FWL

Sec: 29 Twp: 5N Rng: 90W Sec: 29 Twp: 5N Rng: 90W

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 1242 ft

18. Distance to nearest property line: 1414 ft 19. Distance to nearest well permitted/completed in the same formation: 1352 ft

LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA SHALE	NBRR		125	See map

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20030020

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
PLEASE SEE ATTACHED Mineral Lease Map

25. Distance to Nearest Mineral Lease Line: _____ 0 _____ 26. Total Acres in Lease: _____ 1800 _____

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

Method: Land Farming Land Spreading Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	13+1/2	10+3/4	40.5	0	850	233	850	0
1ST	9+7/8	7+5/8	29.7	0	3,427	59	3,427	2,800
OPEN HOLE	6+3/4			0	4,574			

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments TWO APDS ARE BEING SUBMITTED FOR HARPER HILL 2-29; ONE FOR THE PILOT HOLE AND ONE FOR THE HORIZONTAL HOLE. THIS APD IS FOR THE PILOT HOLE. THERE ARE TWO DRILL HOLES AT THIS LOCATION: HARPER HILL 1-29 AND HARPER HILL 2-29. ATTACHMENTS INCLUDE A DRILLING AND COMPLETION PLAN. SWEPI owns an interest in leases colored in pink

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: MICHAEL BERGSTROM

Title: SR REGULATORY ADVISOR Date: 4/15/2011 Email: MICHAEL.BERGSTROM@SH

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Nesline Director of COGCC Date: 6/23/2011

Permit Number: _____ Expiration Date: 6/22/2013

API NUMBER

05 081 07659 00

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.

(3) THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 450 FEET DEEP.

Before placing oil/salt based muds in the pit, operator must file and receive prior approval of a Pit Permit, Form 15. COGCC regulations regarding pit permits can be found in Rule 903.a.(3). PIT PERMITTING/REPORTING REQUIREMENTS.

Attachment Check List

Att Doc Num	Name
1635554	APD ORIGINAL
1635555	WELL LOCATION PLAT
1635556	TOPO MAP
1635557	MINERAL LEASE MAP
1635558	DEVIATED DRILLING PLAN
1635559	LEGAL/LEASE DESCRIPTION
1635560	DRILLING PLAN
1635561	CORRESPONDENCE
2089453	MINERAL LEASE MAP

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached revised mineral lease map and received confirmation that SWEPI does own a mineral lease position along the wellbore Added information to the Objective Formation tab to reflect the 600 foot offset drilling unit that was established	6/21/2011 2:45:20 PM
Permit	Changed top of production values per Aleta Brown	6/13/2011 9:20:11 AM
Permit	Added field as Waddle Creek and changed distance to nearest surface feature to 1,242'	5/11/2011 3:51:22 PM
Permit	Corrected bonds as directed by opr-Michael. sf	5/6/2011 2:13:37 PM
Data Entry	CHECK DIRECTIONAL FOOTAGE AT TOP OF PROD ZONE OMITTED BY OPERATOR - ENTERED FOR SUBMISSION.	5/5/2011 2:24:35 PM

Total: 5 comment(s)

BMP

Type

Comment

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)